

Framework for Revival and Rehabilitation of Micro, Small and Medium Enterprises

In order to provide a simpler and faster mechanism to address the stress in the accounts of MSMEs and to facilitate the promotion and development of MSMEs, Reserve Bank of India has issued guidelines on Revival and Rehabilitation of MSMEs vide their circular No. RBI/2015-16/338 FIDD MSME & NFS.BC.No.21/06.02.31/2015-16 March 17, 2016 and our bank has implemented the same with immediate effect.

For the benefit of the MSME borrowers, we highlight the salient features of the above scheme as under:

1. The scheme is applicable to MSMEs accounts having limits up to Rs. 25.00 crore including accounts under consortium or multiple banking arrangements (MBA).
2. Borrower to register himself for Udyog Adhar number and/or MSME registration.
3. All eligible stressed MSMEs shall have access to the Committee for resolving the stress in these accounts in accordance with regulations prescribed in this Framework.
4. Any MSME borrower may voluntarily initiate proceedings under this Framework, if the enterprise reasonably apprehends failure of its business or its inability or likely inability to pay debts or there is erosion in the net worth due to accumulated losses to the extent of 50% of its net worth during the previous accounting year, by making an application to the branch or directly to the Committee. The committee has been formed in all the MSME- Cluster Offices of the bank across the country.
5. The Committee will convene its meeting in five working days from the receipt of the application, to examine the account for a suitable CAP (Corrective Action Plan). The accounts with aggregate loan limit up to ₹10 lacs may be dealt with by the branch manager / designated official at the branch and for loan limit above Rs. 10.00 lacs the cases are to be referred to the committee for a suitable CAP.
6. All revival/ rehabilitation application/ processing shall be done as per bank's existing applications applicable for loans. The application should be accompanied with the following papers/information:
 - a) Latest audited accounts of the Enterprise including its Net worth;
 - b) Details of all liabilities of the enterprise, including the liabilities owed to the State or Central Government and unsecured creditors, if any;
 - c) Nature of stress faced by the Enterprise; and
 - d) Suggested remedial actions

7. The Committee may explore various options to resolve the stress in the account. The Committee shall not endeavor to encourage a particular resolution option and may decide the CAP as per the specific requirements and position of each case. The options under CAP by the Committee may include:
 - a. Rectification
 - b. Restructuring
 - c. Recovery
8. Within 30 days of convening its first meeting for a specific enterprise, the Committee shall take a decision on the option to be adopted under the corrective action plan and notify the enterprise about such a decision, within five working days from the date of such decision.
9. Upon finalization of the terms of the corrective action plan, the implementation of that plan shall be completed by the bank within 30 days (if the CAP is Rectification) and within 90 days (if the CAP is restructuring). In case recovery is considered as CAP, the recovery measures should be initiated at the earliest.
10. Provided that where the Committee decides that recovery is to be made as part of the CAP, the manner and method of recovery shall be in accordance with the Recovery policy of our bank.

The committees have been formed at following 78 cities/locations in the MSME- Cluster Office across the country.

S No	MSME-Cluster	S No	MSME-Cluster	S No	MSME-Cluster
1.	ABOHAR	31	HOSHIARPUR	61	PUNE
2.	Agra	32	HYDERABAD	62	RAIPUR
3.	AHMEDABAD	33	INDORE	63	RANCHI
4.	AJMER	34	JAIPUR	64	ROHTAK
5.	AMRITSAR	35	JALANDHAR	65	SAHARANPUR
6.	BANGALORE	36	JAMMU	66	SANGRUR
7.	BAREILLY	37	JODHPUR	67	SECUNDERABAD
8.	BHATINDA	38	KAITHAL	68	SIRSA
9.	BHIWADI	39	KANPUR	69	SONEPAT
10	BHOPAL	40	KARNAL	70	SOUTH DELHI
11.	BHUBANESHWAR	41	KOCHI	71	SOUTH WEST DELHI
12	BIKANER	42	KOLKATA NORTH	72	SRIGANGANAGAR
13.	BURDWAN	43	KOLKATA SOUTH	73	SURAT
14.	CENTRAL & EAST DELHI	44	KOTA	74	THANE
15	CHANDIGARH	45	LUCKNOW	75	UDAIPUR
16	CHENNAI	46	Ludhiana East	76	VADODARA

17	COIMBTORE	47	Ludhiana West	77	VARANASI
18	CONNAUGHT PLACE	48	MATHURA	78	YAMUNANAGAR
19	DEHRADUN	49	MEERUT		
20	DURGAPUR	50	MOGA		
21	FARIDABAD	51	MUMBAI-ANDHERI		
22	FEROZEPUR	52	MUMBAI-SOUTH		
23	GHAZIABAD	53	MUMBAI-WESTERN SUBURB		
24	GORAKHPUR	54	NAGPUR		
25	GURGAON	55	NOIDA		
26	GWALIOR	56	NORTH WEST DELHI		
27	HALDWANI	57	PANIPAT		
28	HANUMANGARH	58	PANJIM		
29	HARIDWAR	59	PATIALA		
30	HISSAR	60	PATNA		